

SECRET - SECURITY INFORMATION

207A-23/87

TO : Chief, ES
FROM : Chief of Mission, Frankfurt
SUBJECT: General -- Operational/CALL/CADORE
Specific - Meeting with CAUSA

22 August 1953

INFO: POB
Bonn

1. A meeting was held with CAUSA on 19 August 1953. The main purpose of the meeting was to establish formally a point of contact between KUBARK and UPTHEUST for discussion of covert cold war matters. As addressees are probably aware, there has been some misunderstanding on this point previously. In earlier meeting between C 1 and CAUSA on cold war matters failed to clarify the situation; although KUBARK was notified through the High Commissioner that UPTHEUST designated CAUSA, the latter was not informed of this in sufficiently clear fashion, and thus came to the meeting completely unprepared. As of yesterday, however, all past misunderstandings were clarified. We know that CAUSA was the man. CAUSA understood that he had been properly designated, and word that UPTHEUST desired to handle all covert matters through CAUSA has reached even CAUSA's colleagues and competitors in the cold war field.

2. The meeting was held in CAUSA's office. C 1 represented KUBARK, accompanied by C 11, C 12, and C 13.

3. The meeting was opened by C 1 who acknowledged and confirmed our acceptance of CAUSA's appointment and outlined the functions which we anticipated CAUSA would perform, i.e.

A. Repository of information with respect to our covert activities which we wish to make known to the Government, but on a narrowly restricted basis.

B. Obtain UPTHEUST's approval or acquiescence to certain covert activities.

C. Act on our behalf in obtaining the cooperation of certain government officials on specific matters as required from time to time.

D. Bring to our attention for discussion matters involving covert U.S. activities.

h. CAUSA stated that the above listing corresponds with his understanding of the functions he is expected to perform in accordance with his designation as contact point for all covert matters.

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5. then reviewed briefly our past relationship with the Federal Republic on covert cold war activities and covered the following points:

A. Development of informal contact with _____ and the growth of this relationship into a committee arrangement in which no less than three State Secretaries were involved.

B. Statement of intention regarding cold war activities, which was handed to _____ some time ago.

C. Ad hoc Committee concept, in connection with the High Commissioner's desire to delineate in the future more clearly between overt and covert cold war activities.

D. Current activity which developed out of the Ad hoc Committee; actually, only the _____-Dellinghausen contacts can be considered as active.

E. Relationship with Lord Mayor Reuter in Berlin.

6. The following were listed as examples of general topics which we felt could be discussed profitably as part of the attempt to reach a mutual understanding of German and American concepts on the prosecution of the cold war:

A. What policies should the Western Nations adopt as a result of the 17 June uprisings?

B. Should there be attempts to create further demonstrations and disturbances in the Soviet Zone?

C. Should we keep the "pot boiling" or should we attempt to persuade East Germans to resume a calm, inactive attitude?

We emphasized that these were not questions on which we expected an off-the-cuff answer from GAUSA; rather, we mentioned these to give him an indication of the scope of the future discussions.

7. GAUSA expressed himself pleased with our frank presentation and said he believed he had sufficient knowledge of these problems and of the continuity of our relationship with other German offices and officials to insure a smooth working arrangement for the future.

8. The final part of the meeting was taken up with a discussion of the ZIPPER problem. _____ opened this part of the talks by asking GAUSA if there had been any change in the German Government's intentions to take over ZIPPER. GAUSA said emphatically that this was not the case. The Government was most anxious to take over ZIPPER just as soon as possible, but of course it has not been possible to do so because of financial and political considerations. The next budget will make adequate provisions for financing

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ZIPPER, the required sum will be included in the budget of the Chancellery. The political aspects remain to be solved. CAUSA said the Government does not expect to take over every staff member and agent of ZIPPER sight unseen, but that the overwhelming majority of ZIPPER personnel can count on integration into the Government service.

9. [] then asked if the American sponsorship of ZIPPER could be considered an obstacle or a liability. CAUSA did not think so. He said the American sponsorship of ZIPPER was a well known fact and the Government's plans to take over ZIPPER were made with the full realization that they were going to take over an American-sponsored organization. CAUSA said he heard of no criticisms of ZIPPER because of its American connections, although CAPOZE has been trying to promote himself as the only "truly German" intelligence organization. CAUSA felt this was not very serious and said the CAPOZ' problem will be solved in the near future.

10. CAUSA was then asked if he knew of any recent criticism of the way the Americans were managing ZIPPER, specifically if he heard any allegations that certain American-imposed controls were giving an undesirable American taint to the organization? CAUSA said he has heard of no such criticism but that he would inquire. On the contrary, he felt that the American management of ZIPPER was most satisfactory and that the Government appreciated the American approach to the ZIPPER problem. He did not think that the "undesirable American taint" was anything to worry about. After all, ZIPPER was an American-sponsored organization. The Americans were fully justified in introducing such operational, administrative, and security controls as they deemed desirable. He felt that possible differences of opinion about such controls could not be important enough to disturb at this late date the essentially smooth working relationship.

Further on the question of "American taint" CAUSA said that the American sponsorship of ZIPPER has long enjoyed the Chancellor's blessing and in effect the American's position with regard to ZIPPER was regarded by the German Government as a position of stewardship, pending German political and financial ability to take over the organization.

11. [] expressed great satisfaction with CAUSA's remarks and noted that there appeared to be complete unanimity between the German and American position regarding ZIPPER.

12. Conclusion. To believe that the meeting with CAUSA was profitable and that his attitude augurs well for our future working relationship. The date for the next meeting was left open, and will be set only after 6 September.

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